# Assistance Listings

# Paycheck Protection Loan Program (PPP)

Assistance Listing
Popular Name
Department/Ind. Agency
SMALL BUSINESS ADMINISTRATION
Assistance Listing Number
59.073
Related Federal Assistance
59.012
View available opportunities on Grants.gov related to this Assistance Listing (opens in new window) (opens in new window)

## Overview

### Objectives

The Paycheck Protection Program established by the CARES Act is implemented by the Small Business Administration with support from the Department of the Treasury. The effective period began March 27, 2020 through August 8, 2020. The Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act (Economic Aid Act) enacted on December 27, 2020, provided appropriations through May 31, 2021 or until funds are expended, for the PPP loan program. SBA reopened the Paycheck Protection Program (PPP) for First Draw Loans the week of January 11, 2021. First Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations. Additionally, The Paycheck Protection Program (PPP) now allows certain eligible borrowers that previously received a PPP loan to apply for a Second Draw PPP Loan with the same general loan terms as their First Draw PPP Loan. Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations Business Entities (partnerships, corporations, LLC), Sole Proprietors, independent Contractors, 501(c)(3) nonprofit organizations, 501(c)(6)Organization, 501(C) 19Veterans organizations, and Tribal businesses described in the Small Business Act, maybe eligible if they also meet program size standards and certain limitations.

### Examples of Funded Projects

**Fiscal Year 2021:** First Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and

certain supplier costs and expenses for operations. Additionally, Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

### Assistance Listing Description

Eligible small entities, that together with their affiliates (if applicable), have 500 or fewer employees—including nonprofits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors—can apply. Entities with more than 500 employees in certain industries that meet SBA's alternative size standard or SBA's size standards for those particular industries can also apply. A borrower is generally eligible for a Second Draw PPP Loan if the borrower: Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses; has no more than 300 employees; and can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

## Authorizations

Public Law 116-136

Public Law 116-139

Public Law 116-260

## Financial Information

*These funding amounts do not reflect the award amounts that are displayed on USASpending.gov*

| Obligation(s) | FY 21 | FY 22 (est.) | FY 23 (est.) |
|---|---|---|---|
| **Guaranteed/Insured Loans Total** | $271,813,818,279 | $0 | Estimate Not Available |
| | $0 | $0 | Estimate Not Available |
| | $271,813,818,279 | $0 | $0 |
| **Totals** | $271,813,818,279 | $0 | Estimate Not Available |

### Range and Average of Financial Assistance

Additional information is available on SBA's website at https://www.sba.gov/funding-programs/loans/coronavirus-relief-options

### Accomplishments

Not Applicable.

### Account Identification

73-1154-0-1-376

# Criteria for Applying

## Types of Assistance

F - Guaranteed/Insured Loans

## Credentials and Documentation

Initial PPP requests required SBA Form 2483 Paycheck Protection Borrower Application Form to be submitted to a participating PPP lender. All loans will have the same terms regardless of lender or borrower. A list of participating lenders as well as additional information and full terms can be found at www.sba.gov. Existing PPP borrowers that did not receive loan forgiveness by December 27, 2020 may: (1) reapply for a First Draw PPP Loan if they previously returned some or all of their First Draw PPP Loan funds, or (2) under certain circumstances, request to modify their First Draw PPP Loan amount if they previously did not accept the full amount for which they are eligible. Borrowers can apply for a First Draw PPP Loan until May 31, 2021, through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, eligible non-bank lender, or Farm Credit System institution that is participating in PPP. All new First Draw PPP Loans will have the same terms regardless of lender or borrower. Borrowers can apply for a Second Draw PPP Loan until May 31, 2021, through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, eligible non-bank lender, or Farm Credit System institution that is participating in PPP. All Second Draw PPP Loans will have the same terms regardless of lender or borrower. This program is excluded from coverage under 2 CFR 200, Subpart E - Cost Principles.

## Applicant Eligibility

### Designations

Small business (less than 500 employees)

Additional information is available on SBA's website at www.sba.gov

## Beneficiary Eligibility

### Designations

Small business

Not for Profit Entities and Small businesses that meet the size and eligibility standards www.treasury.gov

## Length and Time Phasing of Assistance

Initially in 2020, participating lenders were authorized to approve loans under the PPP program beginning April 3, 2020 through June 30, 2020, or until funds made available for this purpose are

exhausted, whichever occurs first. In 2021, participating lenders are authorized to approve loans under the PPP program for the first draw loans beginning January 11, 2021 through May 31, 2021, or until funds made available for this purpose are exhausted, whichever occurs first. To promote access for smaller lenders and their customers, SBA will initially only accept Second Draw PPP Loan applications from community financial institutions starting on January 13, 2021. The PPP will open to all participating lenders for Second Draw PPP Loans shortly thereafter. Method of awarding/releasing assistance: lump sum

### Use of Assistance

#### Designations

Business/Commerce

In 2020 Loan proceeds may only be used for payroll costs; payments of interest on any business mortgage obligation, rent and/or utilities; interest on any other business debt obligations that were incurred before February 15, 2020; and/or to refinance SBA Economic Injury Disaster Loan (EIDL) loans made from January 31, 2020 through April 3, 2020. Payroll costs, including costs for employee vacation, parental, family, medical, and sick leave. Other However, the CARES Act excludes qualified sick and family leave wages for which a credit is allowed under sections 7001 and 7003 of the Families First Coronavirus Response Act (Public Law 116–127). In 2021 First Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations. Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.Yes, Guaranteed (100%) Terms: Maximum 2 years including a 6-month deferment (any remaining outstanding balance after the loan forgiveness)

## Applying for Assistance

### Deadlines

Apr 03, 2020 to Jun 30, 2020 Jan 11, 2021 to May 31, 2021

Initial loan distribution period June 30, 2020 or when funds are exhausted whichever is first. 2021 loan distribution period January 11, 2021 through June 30, 2021 or when funds are exhausted whichever is first for both the first draw loans and second draw loans.

### Preapplication Coordination

Preapplication coordination is not applicable. Environmental impact information is not required for this program. This program is excluded from coverage under E.O. 12372.

### Application Procedures

This program is excluded from coverage under 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

This program is excluded from coverage under 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Applications for guarantees are submitted by the participating lender to SBA electronically.

### Criteria for Selecting Proposals

Not Applicable.

### Award Procedure

SBA provides approval notification to participating lender who provides a commitment letter and loan to the applicant.

### Date Range for Approval/Disapproval

From 1 to 15 days.

### Renewals

Not Applicable.

### Appeals

No Appeals

## Compliance Requirements

### Policy Requirements

The following 2CFR policy requirements apply to this assistance listing:

*Not Applicable*

The following 2CFR policy requirements are excluded from coverage under this assistance listing:

Subpart B, General provisions

Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards

Subpart D, Post Federal; Award Requirements

Subpart E, Cost Principles

Subpart F, Audit Requirements

Additional Information: Additional Information: Additional information is available on SBA's website at www.sba.gov/funding-programs/loans. This program is excluded from coverage under 2 CFR 200, Subpart E - Cost Principles. Loans funds are originated closed and serviced by lenders

with a 100% SBA guaranteed. Not for Profit organizations that are borrowers under CARES Act, section 1102 are not subject to reporting requirements.

### Reports

**Program Reports:** Please see Program Performance Reports at SBA's website at https://www.sba.gov/about-sba/sba-performance/performance-budget-finances/small-business-administration-sba-loan-program-performance. Additional information available at SBA's website at www.sba.gov

**Cash Reports:** Information available at www.sba.gov

**Progress Reports:** See www.sba.gov or www.Treasury.gov

**Expenditure Reports:** Information available at www.sba.gov/7a-loan-program.

**Performance Reports:** See www.sba.gov

### Audits

This program is excluded from coverage under 2 CFR 200, Subpart F - Audit Requirements.

### Records

Adequate accounting system.

### Regulations, Guidelines, and Literature

https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses

### Formula and Matching Requirements

Statutory formula is not applicable to this assistance listing.

Matching requirements are not applicable to this assistance listing.

MOE requirements are not applicable to this assistance listing.

## Contact Information

### Regional or Local Locations:

None.

### Headquarters Office:

Dianna L. Seaborn
409 3rd Street, SW 8th Floor,,
Washington, DC 20416
Dianna.Seaborn@sba.gov
(202) 205-3645
**Website:** http://www.sba.gov

# History

- **2022**Published

  Paycheck Protection Loan Program (PPP)

- **2021**Published

  Paycheck Protection Loan Program (PPP)

- **2021**Published

  Paycheck Protection Loan Program (PPP)

- **2021**Published

  Paycheck Protection Loan Program (PPP)

- **2020**Published

  Paycheck Protection Loan Program (PPP)

- **2020**Title Changed

  **To:** Paycheck Protection Loan Program (PPP)
  **From:** Payment Protection Program

- **2020**Published

  Payment Protection Program